
By: **Delegates Hixson and C. Davis**
Introduced and read first time: February 9, 2001
Assigned to: Ways and Means

A BILL ENTITLED

1 AN ACT concerning

2 **Racing - Betting - Satellite Simulcast Facilities**

3 FOR the purpose of restricting eligibility for applying for a satellite simulcast betting
4 permit to a certain category of licensee; authorizing the Racing Commission to
5 grant permits to hold satellite simulcast betting only in accordance with a
6 certain schedule listing regions of the State and a maximum number of satellite
7 simulcast betting facilities for each region; requiring that a certain amount of
8 money bet in satellite simulcast facilities be allocated to certain counties; and
9 generally relating to satellite simulcast betting.

10 BY repealing and reenacting, without amendments,
11 Article - Business Regulation
12 Section 11-101(a) and (h) and 11-815(a) and (b)
13 Annotated Code of Maryland
14 (1998 Replacement Volume and 2000 Supplement)

15 BY repealing and reenacting, with amendments,
16 Article - Business Regulation
17 Section 11-818, 11-819, and 11-826
18 Annotated Code of Maryland
19 (1998 Replacement Volume and 2000 Supplement)

20 BY adding to
21 Article - Business Regulation
22 Section 11-819.1
23 Annotated Code of Maryland
24 (1998 Replacement Volume and 2000 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

1

Article - Business Regulation

2 11-101.

3 (a) In this title the following words have the meanings indicated.

4 (h) "Licensee" means a person who has been awarded racing days for the
5 current calendar year.

6 11-815.

7 (a) In this part the following words have the meanings indicated.

8 (b) "Permit" means a permit granted under this part to hold satellite
9 simulcast betting.

10 11-818.

11 (a) [Any person may] TO apply for a permit, A PERSON SHALL BE A LICENSEE.

12 (b) An applicant for a permit shall submit to the executive director of the
13 Commission an application in the form that the Commission requires.14 (c) Except as provided in subsection (e) of this section, the Commission shall
15 conduct a personal and financial background check of an applicant for a permit
16 including:17 (1) a review, by a certified public accountant, of the certified financial
18 statements of the applicant, including contingent or pledged liabilities, sufficient to
19 determine the ability of the applicant to purchase or lease, and develop and maintain
20 the satellite simulcast facility for which the permit is sought;

21 (2) an income statement of the applicant for the most recent year;

22 (3) a statement of financial and related records of any person in which
23 the applicant has at least a majority interest;24 (4) a disclosure of all financial interests in horse racing and any other
25 legalized betting activity;26 (5) the disclosure of each person who is a beneficial owner of the
27 applicant;28 (6) with the assistance of federal, State, and local law enforcement
29 authorities, a criminal background review; and

30 (7) a character review.

31 (d) The Commission shall adopt regulations establishing uniform procedures
32 for conducting the personal and financial background check required by this section.

1 (e) The Commission may waive portions of the review that it determines to be
2 appropriate for any applicant that is a licensee.

3 11-819.

4 [The] SUBJECT TO § 11-819.1 OF THIS PART III OF THIS SUBTITLE, THE factors
5 that the Commission shall consider in deciding whether to grant a permit shall
6 include:

7 (1) the needs and convenience of the public;

8 (2) whether the satellite simulcast facility:

9 (i) would be expected to interfere unreasonably with attendance at
10 tracks; and

11 (ii) meets the requirements of § 11-825(a) of this subtitle;

12 (3) the desires of the political subdivision where the proposed satellite
13 simulcast facility is to be located;

14 (4) the interests of the racing industry; and

15 (5) other matters that the Commission finds appropriate.

16 11-819.1.

17 THE COMMISSION MAY AWARD PERMITS ONLY IN ACCORDANCE WITH THE
18 FOLLOWING SCHEDULE THAT LISTS EACH GEOGRAPHIC REGION OF THE STATE AND
19 THE MAXIMUM NUMBER OF SATELLITE SIMULCAST FACILITIES ALLOWED TO BE
20 LOCATED THERE:

21 (1) THE WESTERN MARYLAND REGION, CONSISTING OF ALLEGANY
22 COUNTY, GARRETT COUNTY, AND WASHINGTON COUNTY -- 1;

23 (2) THE CAPITAL REGION, CONSISTING OF FREDERICK COUNTY,
24 MONTGOMERY COUNTY, AND PRINCE GEORGE'S COUNTY -- 2;

25 (3) THE CENTRAL MARYLAND REGION, CONSISTING OF ANNE ARUNDEL
26 COUNTY, BALTIMORE CITY, BALTIMORE COUNTY, CARROLL COUNTY, HARFORD
27 COUNTY, AND HOWARD COUNTY -- 2;

28 (4) THE SOUTHERN MARYLAND REGION, CONSISTING OF CALVERT
29 COUNTY, CHARLES COUNTY, AND ST. MARY'S COUNTY -- 2; AND

30 (5) THE EASTERN SHORE REGION, CONSISTING OF CAROLINE COUNTY,
31 CECIL COUNTY, DORCHESTER COUNTY, KENT COUNTY, QUEEN ANNE'S COUNTY,
32 SOMERSET COUNTY, TALBOT COUNTY, WICOMICO COUNTY, AND WORCESTER COUNTY
33 -- 1.

1 11-826.

2 (a) [All money] A PERMIT HOLDER:

3 (1) SHALL INCLUDE 95% OF THE MONEY bet at a satellite simulcast
4 facility [shall be included] in the applicable mutuel pools at the sending track; AND

5 (2) SHALL ALLOCATE THE REMAINING 5% EQUALLY BETWEEN:

6 (I) COUNTIES WHERE TRACKS ARE LOCATED; AND

7 (II) COUNTIES WHERE SATELLITE SIMULCAST FACILITIES ARE
8 LOCATED.

9 (b) Except as provided in § 11-827 of this part, the breakage, State tax, and
10 takeout on all satellite simulcast betting shall be computed in the way normally
11 applicable to pari-mutuel betting on a race at the sending track.

12 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
13 October 1, 2001.